

## Message Text

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PAGE 01 JAKART 10920 160152Z  
ACTION EA-09

INFO OCT-01 ISO-00 AID-05 CIAE-00 COME-00 EB-08 FRB-03  
INR-07 NSAE-00 USIA-06 TRSE-00 XMB-02 OPIC-03  
SP-02 LAB-04 SIL-01 OMB-01 NSC-05 SS-15 STR-04  
CEA-01 /077 W

-----046097 160156Z /72

R 160013Z AUG 77  
FM AMEMBASSY JAKARTA  
TO SECSTATE WASHDC 3163  
INFO AMEMBASSY BANGKOK  
AMEMBASSY KUALA LUMPUR  
/AMEMBASSY MANILA 7870  
AMEMBASSY SINGAPORE

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E.O. 11652: N/A  
TAGS: ASEAN, ETRD, ID  
SUBJECT: ASEAN: PROPOSAL FOR HIGH-LEVEL TRADE AND INVESTMENT  
MISSION TO ASEAN

REF: (A) MANILA 11818, (B) KUALA LUMPUR 5308

1. WE AGREE WITH KUALA LUMPUR THAT MANILA SUGGESTION CONTAINED  
REF A BE GIVEN SERIOUS CONSIDERATION. AS DEPARTMENT AWARE, GOI  
CURRENTLY ENGAGED IN ATTEMPTING TO SHORE UP INVESTMENT CLIMATE  
IN INDONESIA AND, ALTHOUGH IT IS STILL NOT CLEAR HOW THESE  
EFFORTS WILL DEVELOP IN THE NEAR FUTURE, THERE IS LITTLE DOUBT  
THAT GOI HAS DEFINITE INTEREST IN ATTRACTING U.S. PRIVATE  
CAPITAL. THE CENTRAL PROBLEM HERE IS THAT INDONESIAN POLICY-  
MAKERS ARE STRUGGLING TO FIND AN APPROPRIATE BALANCE BETWEEN  
THOSE INCENTIVES NECESSARY TO INDUCE FOREIGN INVESTMENT AND  
THE INTERNAL, NATIONALISTIC PRESSURES TO ASSURE ADEQUATE  
RETURN TO THE INDONESIAN ECONOMY, CONSISTENCY OF THE INVESTMENT  
WITH THE COUNTRY'S DEVELOPMENT OBJECTIVES, AND THE  
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PAGE 02 JAKART 10920 160152Z

DESIRES FOR DEVELOPING AN INDONESIAN ENTREPRENEURIAL  
CLASS.

2. GOI HAS WELCOMED OPPORTUNITY TO PUT A POSITIVE GLOSS  
ON LOCAL CLIMATE PROVIDED BY VARIOUS ASEAN DIALOGUE  
MEETINGS SUCH AS BURSSLS MEETING WITH THE EC. CERTAINLY  
LEADING LOCAL BUSINESS SPOKESMEN FEEL THAT SUCH MEETINGS

SHOULD BE CONTINUED, BOTH AS A MEANS TO ATTRACT INVESTOR ATTENTION AND ALSO AS A DEVICE TO PROMOTE INDONESIAN TRADE. PROPOSAL FOR A USG-SPONSORED GROUP TO VISIT ASEAN WOULD BE WELCOMED BY THE GOI AND WOULD BE A GOOD FIRST STEP TOWARDS MORE ELABORATE MEETING THAT MIGHT TAKE PLACE IN THE U.S. ITSELF. WE WOULD CAUTION HOWEVER THAT SCHEDULE FOR A U.S. INVESTMENT/TRADE MISSION TO ASEAN SHOULD BE SUFFICIENTLY BORAD TO ALLOW ADEQUATE TIME FOR IN-DEPTH VISITS IN EACH ASEAN MEMBER COUNTRY.

3. IN SUM, WE BELIEVE IDEA SHOULD BE EXPLORED DURING MANILA CONSULTATIONS. IN TERMS OF U.S.-INDONESIAN RELATIONS A U.S. MISSION WOULD CERTAINLY BE VIEWED AS AN INDICATION OF OUR CONTINUED INTEREST IN THE DEVELOPMENT OF ASEAN AND AT THE SAME TIME PROVIDE AN OPPORTUNITY FOR THE INDONESIANS TO HEAR THE VIEWS AND ATTITUDES OF KEY U.S. BUSINESS EXECUTIVES ON THE INDONESIAN INVESTMENT AND BUSINESS CLIMATE.  
RIVES

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** TRADE PROMOTION, PRIVATE ENTERPRISE, FOREIGN INVESTMENTS  
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**Copy:** SINGLE  
**Sent Date:** 16-Aug-1977 12:00:00 am  
**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 22 May 2009  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1977JAKART10920  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D770294-0572  
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**Line Count:** 81  
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**Message ID:** e6e0f759-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION EA  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
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**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 77 MANILA 11818, 77 KUALA LUMPUR 5308  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
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**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 1591891  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** ASEAN: PROPOSAL FOR HIGH-LEVEL TRADE AND INVESTMENT MISSION TO ASEAN  
**TAGS:** ETRD, ID, US, ASEAN  
**To:** STATE  
**Type:** TE  
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**Review Markings:**  
Margaret P. Grafeld  
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